

I. APPLICANT OVERVIEW

The ownership structure of the applicant remains essentially the same as reported to the Indiana Gaming Commission in November of 1995. The only significant change is in the percent ownership. RSR, LLC allowed their option to acquire thirty percent (30%) of Rising Sun Riverboat Casino, LLC, to expire. This resulted in the current ownership of eighty percent (80%) for Indiana RBG, LP, and twenty percent (20%) for RSR, LLC.

Upon issuance of a license by the Indiana Gaming Commission, the licensee's riverboat casino and temporary pavilion facility opened on September 16, 1996 with regular riverboat gaming operations commencing on October 4, 1996. The license is for an initial term of five years with renewals requiring the approval of the Indiana Gaming Commission.

Indiana RBG, LP is a Delaware limited partnership organized on November 21, 1994 and is authorized to do business in Indiana. The general partner is HCCC Corporation. HCCC Corporation is a Delaware Corporation organized on August 31, 1993 to do business in Indiana as of November 4, 1993. H Group Holding, Inc. owns all issued and outstanding shares of HCCC Corporation. H Group Holding, Inc. was incorporated in Delaware in March of 1982 and authorized to do business in Illinois. All issued and outstanding shares are owned by trusts for the benefit of the Pritzker family of Chicago.

FJH, LLC

Purpose of FJH, LLC

FJH, LLC was formed to purchase an 8.00% interest of RSR, LLC who in turn owns a 20% interest in Grand Victoria Casino & Resort LP a/k/a Grand Victoria Casino & Resort at Rising Sun, Indiana. After the transaction was completed FJH, LLC became a 1.60% owner of the Grand Victoria Casino & Resort LP. This 8.00% interest was purchased from the Patrick Daly interest in the RSR, LLC. The 8.00% interest represents Patrick Daly's repurchase of American Gaming Entertainment, LLC interests in the year 2000.

Legal Entity

The name FJH, LLC is derived from the last name initial of the three managers of the Limited Liability Company as follows: Michael Firsel, Sherwin Jarol and Sheldon Holzman. The FJH, LLC was formed as a Delaware LLC in January 2001 with three managers as identified.

II. CORPORATE PROFILE

Grand Victoria Casino & Resort, LP, the Indiana licensee, is cooperatively owned by two (2) individual companies. Indiana RBG, LP is the general partner with eighty percent (80%) of the company interest. RSR, LLC holds the remaining twenty percent (20%) interest. The restructuring of the Grand Victoria Casino and Resort only created slight changes as far as the ownership is concerned. The beneficial interests in the gaming operations remained the same.

RSR, LLC

RSR, LLC is an Indiana limited liability company whose voting members are the DePaul Corporation (Paul R. Partridge, Canada), JAE Investments, Ltd. (James A. Everett, Canada) and The Daly Group, LLC (Patrick F. Daly, Chicago, Illinois). The restructuring placed the ownership of RSR, LLC into U.S. corporations and changed the company's status to a limited partnership. The reason for this type of restructuring was two fold. The licensee wanted to combine the ownership of the gaming vessel, Grand Victoria II, with the gaming operations of Grand Victoria Casino and Resort LLC.

In order to combine the ownership and remain in compliance with Coast Guard regulations regarding foreign ownership of U.S. flagged vessels, the Canadian investors transferred their interests in RSR, LLC, into wholly owned U.S. corporations. The secondary goal of the restructuring was to accommodate the estate and tax planning needs of James Everatt, Paul Partridge and Pat Daly.

INDIANA RBG, LP

Indiana RBG, LP is the general partner in the Grand Victoria Casino and Resort, LLC. Indiana RBG, LP is responsible for the management of Grand Victoria Casino and Resort, LLC. The structuring of Indiana RBG, LP did not change from previous reports supplied to the Indiana Gaming Commission with the restructuring.

III. INDIVIDUAL PROFILE

Information in this section was obtained from the application, record checks and personal interviews. The Following individuals submitted personal disclosure forms and background investigations were conducted.

Nicholas J. Pritzker

Mr. Nicholas J. Pritzker is the Director of HCCC Corporation, the general partner of Indiana RBG,LP, the entity responsible for overseeing and guiding the Grand Victoria Casino & Resort, LP business and setting policy for the company. He is also the Director of Hyatt Gaming Incorporated and Director of Hyatt Development.

Mr. Nicholas J. Pritzker is the Co-Trustee of the A.N.P. Trust, and the Thomas J. Pritzker Children's Trust. The A.N.P. Trust owns six and sixteen hundredths percent (6.16%) of Indiana RBG, LP. The Thomas J. Pritzker Children's Trust owns sixteen and nine tenths percent (16.9%) of Indiana RBG, LP.

Mr. Nicholas J. Pritzker currently lives in Chicago, Illinois with his wife Susan Pritzker and their two (2) minor children. Mr. Pritzker also has two (2) adult children living outside their home.

Mr. Nicholas J. Pritzker graduated from Lake Forest College with a Bachelor of Arts Degree. He also attended the University of Chicago and received a Juris Doctorate degree and is a member of the Illinois Bar Association.

Mr. Nicholas J. Pritzker practiced law from 1976-1978 at the law firm of Pritzker and Pritzker. In June of 1978, Mr. Pritzker left Pritzker and Pritzker and went to work for the Hyatt Corporation as executive vice president-real estate. In 1984, Mr. Pritzker became the president of Hyatt Development. He currently holds this position.

The Pritzker family owns and operates casinos, but he is not actively involved in the day to day operation of the casinos and has no gaming experience.

The Hyatt Corporation currently holds gaming licenses in Nevada, Colorado, Illinois, Indiana, Canada and Greece.

Thomas J. Pritzker

Mr. Thomas J. Pritzker is the Chairman, CEO and President of the Hyatt Corporation. Mr. Thomas J. Pritzker is responsible for the overall direction and policies of the Hyatt Corporation on a day to day basis.

Mr. Pritzker is the trustee for several of the Pritzker trust funds and is Co-Trustee of the A.N.P. trust which owns six and sixteen hundredths percent (6.16) of the Indiana RBG, LP and is the grantor of the Thomas J. Pritzker Children Trust. This trust has a twenty percent (20) interest in the Indiana RBG, LP which has an eighty percent (80) interest in the Grand Victoria Resort & Casino, LP.

Mr. Pritzker currently resides in Chicago, Illinois with his wife Margot. Together they have three (3) adult sons who are currently attending various universities.

Mr. Pritzker graduated from the University of Chicago with a Juris Doctorate and a MBA Degree. Mr. Pritzker is a member of the Illinois Bar Association.

The Pritzker family owns and operates casinos, but he is not involved in the day to day operations of the casinos and has no gaming experience.

Penny S. Pritzker

Ms. Penny S. Pritzker is the President and founder of Classic Residence, which specializes in senior housing and is President of Pritzker Reality, which handles the real estate transactions for the Pritzker businesses.

Ms. Pritzker is a seven percent (7%) owner of the Grand Victoria Casino & Resort, LP and has gaming licenses in Indiana, Illinois, Nevada and Colorado.

Ms. Pritzker currently resides in Chicago, Illinois with her husband Bryan Traubert and her two minor children.

Ms. Pritzker graduated from Harvard University with a degree in Business and Economics and Stanford University with a Juris Doctorate and a MBA. Ms. Pritzker is a member of the Illinois Bar Association.

Ms. Pritzker has no gaming experience and is not actively involved in operation of the casinos.

Richard L. Schulze

Richard L. Schulze is President of HCCC Corporation which is the general partner of Indiana RBG. LP., the general partner of the Grand Victoria Casino & Resort, LP. Mr. Schulze is also the President and CEO of Hyatt Gaming Management, which has a contract to manage the Grand Victoria Casino.

Mr. Schulze is not involved in the day to day operations of the casino but does receive regular reports in the issues that deal with ownership as well as matters that deal with the casino operations.

Mr. Schulze graduated from the University of Nebraska with a Bachelors Degree in Mechanical Engineering. Mr. Schulze attended The Massachusetts Institute of Technology (MIT) and obtained a Masters in Mechanical Engineering. Mr. Schulze then obtained his Juris Doctorate from Harvard University.

The Hyatt Corporation has employed Mr. Schulze since 1979 and he has held several titles within the corporation during his tenure.

Mr. Schulze is a member of the Nebraska Bar Association and currently holds no gaming licenses.

Mr. Schulze is married to his wife Margaret and has two (2) adult children who reside in an apartment attached to his home. This is Mr. Schulze's second marriage. His first marriage ended with a Judgement of Dissolution on January 24, 1985 in Cook County Circuit Court, Illinois. He has no alimony or support obligations.

Harold S. Handelsman

Harold S. Handelsman is Vice President, Secretary, Treasurer and Director of the HCCC Corporation, a general partner of the Indiana RBG, LP, and Vice President and Secretary of H Group Holding, Inc.

Mr. Handelsman is also the Executive Vice President of the Pritzker Organization. The Pritzker Organization is the Investment Bank for the Pritzker Family.

Mr. Handelsman is not involved in day to day operations or management issues involved with the Grand Victoria Casino & Resort, LP but is however a three and five tenths percent (3.5%) investor in the Indiana RBG, LP.

Mr. Handelsman graduated from Amherst College in Massachusetts and received his Juris Doctorate from the Columbia University School of Law, New York.

Mr. Handelsman resides in Chicago with his wife Catherine and their two minor children. This is the second marriage for Mr. Handelsman; his first marriage ended with a Judgement of Dissolution in the Superior Court of Bergen County, New Jersey in January 1981. Mr. Handelsman was relieved of any support or alimony obligations in September 1992.

IV. DOCKSIDE PROPOSAL

The M/V Grand Victoria II was built by Halter Marine Group in 1994 for the Hilton Corporation for use as the Hilton Flamingo Casino in New Orleans, Louisiana. The vessel was subsequently refurbished and re-commissioned in 1996 as the M/V Grand Victoria II and delivered to its current dock site in Rising Sun, Indiana for use as a casino by Grand Victoria Casino & Resort, LP. The vessel contains more than 40,000 square feet of gaming space on four (4) levels, in addition to a lower level (hold) which contains offices and space for many of the casino's support functions. There are approximately 1,475 slot machines on the four levels of the casino, and 40 table games featuring Blackjack, Double Zero Roulette, Caribbean Stud Poker, Three Card Poker and Let It Ride. There is elevator service to all levels as well as escalator service available between the first, second and third levels of the casino. All levels have restrooms accessible by individuals with disabilities. The M/V Grand Victoria II is the only casino riverboat in the State of Indiana with a working paddlewheel as the main propulsion unit. The M/V Grand Victoria II is designed with a mechanical platform and ramp to provide access to and from the boat to the river stage. The M/V Grand Victoria II is designed for a passenger capacity of 2,700, and a crew capacity of 300, for a grand total of 3,000 passengers and crew.

In July 1997, the Grand Victoria Casino & Resort, LP completed construction and opened its land-based facility. This included a 125,000 square foot Victorian theme Pavilion which contains Wellington's Steak House, an upscale restaurant; the River View Buffet, Victoria's Sports Bar, Piccadilly's Delicatessen, and a VIP Lounge. In addition, The Grand Victoria Casino & Resort, LP opened a 201 room hotel which includes a health club, an indoor pool, and outdoor terrace. A multi-purpose 15,000 square foot Grand Theatre, which is attached to the Pavilion area and used for conferences and live entertainment, opened in December 1997. The Grand Victoria Casino & Resort, LP completed construction of its 18-hole championship golf course in the spring of 2000. A permanent clubhouse will be completed before the start of the 2003 golf season and will replace a temporary golf clubhouse, which is currently on that site. The Grand Victoria Casino & Resort, LP also added an 8,900 square foot multi-purpose warehouse/training center, which was completed in June 2000. The Grand Victoria Casino & Resort, LP has added vestibules at both the employee ramp and the employee entrance, and other miscellaneous projects include an irrigation system along the main entrance to the property, bus shelters throughout the parking area, and additional construction at the golf course.

The warehouse/training center, vestibules and miscellaneous projects were not anticipated in the original project plans.

V. CASINO MANAGEMENT

The Grand Victoria Casino & Resort, LP current casino management positions are as follows:

Richard L. Schulze	President, Hyatt Gaming Management, Inc
Larry Buck	Vice President, General Manager
Mark Hemmerle	General Counsel

The Grand Victoria Casino & Resort, LP current management personnel are as follows:

Tom Sanders	Director of Marine Operations
Dan Edmonds	Director of Information Technology
Lois Coyle	Director of Surveillance
Karin Brugler	Director of Internal Audit
Mario DiGuiseppe	Director Table Games
Lance Millage	Director of Finance
Trisha Barwick	Director of Human Resources
Manny Corrao	Director of Marketing
Randy Burns	Director of Food and Beverage
Arland Boyd	Director of Security
Bob Stewart	Director of Slots

VI. GAMING PROPOSAL

Boat layout and capacity as of September 25th, 2001

<u>Boat Capacity:</u>	Patrons:	2,700
	Crew:	300

<u>Slot Machines</u>	Level 4:	92
	Level 3:	486
	Level 2:	387
	Level 1:	501
	Total:	1,466

<u>Table Games:</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Blackjack	24	12	12
Double Exposure Blackjack	1	1	-
Spanish 21	1	1	-
Blackjack Total	26	14	12

Table Games Continued:	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Craps	3	-	3
Single Zero Roulette	1	-	1
Double Zero Roulette	2	1	1
Roulette Total	3	1	2

Caribbean Stud Poker	5	4	1
Three Card Poker	2	-	2
Poker Total	7	4	3
Let it Ride	1	-	1
Total	40	19	21

Total All Games: 79

Grand Victoria Casino & Resort LP Cruising/Gaming Schedule:

The Grand Victoria Casino & Resort LP operates seven (7) days per week as approved by the Indiana Gaming Commission. Cruises commence at 9:30am and the last cruise begins between 1:30am and 5:00am depending on the day of week and some holidays. The duration of each cruise is two (2) hours.

VII. CITY

John Roeder, the Mayor of Rising Sun is very pleased with the Grand Victoria Riverboat Casino & Resort, LP. Mayor Gibson stated that the city has received financial assistance from the Grand Victoria Riverboat and Casino & Resort in the form of revenues and development agreements. Prior to the arrival of the Grand Victoria the largest employer in the city was the Rising Sun Police Department with four (4) officers. The property taxes for Rising Sun has fallen from \$1.89 per \$100.00 to .91cents per \$100.00. The School Corporation was unable to obtain any matching grants prior to the arrival of the Grand Victoria and is now able to boast an extremely well equipped school system. The city has been able to build several new buildings and virtually every road in Ohio County has been resurfaced.

The only remaining issue between the Grand Victoria Casino & Resort, LP and the City of Rising Sun is the building of an Outlet Mall. The city does not want the mall to be developed. The Grand Victoria Casino & Resort, LP and the city are currently negotiating a resolution. Neither party wishes to discuss the details of the negotiations at this time.

Sheriff Elden Francher and Connie Alltoff, the Clerk of Ohio County are equally pleased with the results, cooperation and financial benefits from the Grand Victoria Casino & Resort, LP.

VIII. LAWSUITS

The Grand Victoria Casino & Resort is party to approximately thirty one (31) active lawsuits. Many of these actions are in various stages of settlement. Five (5) lawsuits are third party litigation by outside individuals for slip and fall type injuries. Thirteen (13) lawsuits are employee litigation claiming various job related injuries. Thirteen (13) lawsuits are administrative actions by employees claiming EEOC violations. All claims are pending.

None of the pending lawsuits are of a substantial monetary amount as to have an affect to the financial operations of the Grand Victoria Casino & Resort, LP.

IX. INVESTIGATIVE ISSUES

Superior Bank

On July 26th, 2001 this office was notified of the involvement of the Hyatt Group in the Superior Bank failure and bailout plans. The Hyatt Group is continuing discussions with federal regulatory authorities in an effort to explore alternative ideas to address the banks situation, including a proposal previously offered to invest \$210 million dollars in the bank. This condition also asks that the Hyatt Group not be in control of the bank going forward and be relieved from responsibility with respect to the bank.

The Superior Bank failure will have no impact on the operation of the Grand Victoria Casino & Resort, LP or on the revenues of Hyatt Gaming Corporation.

Grand Victoria Casino in Elgin, Illinois

On October 19th, 2001 the Grand Victoria Casino in Elgin, Illinois was fined \$7.2 million dollars after being accused of doing business with four (4) allegedly mob-tied companies, breaking state law on a contract issued to one of them and destroying security records.

The Illinois Gaming Board took disciplinary action against the following employees.

Pete Dominguez, the General Manager was suspended for a period of 180 days and fined, individually, in the amount of \$30,000.00 for multiple violations of the Riverboat Gambling Act and Board Rules.

Scott Enslin, the Marine Operations Manager was suspended for 30 days.

Edward Cisowski , the Security Manager had his Occupational License revoked and was fined, individually, in the amount of \$15,000.00.

The Grand Victoria Casino, Elgin placed the above mentioned employees as well as Debbie Christie, the Purchasing Manager and Betsy Modglin, the Director of Player Development on investigation suspension with pay.

Mandalay Bay has an agreement with the Hyatt Corporation to operate the casino.

The Hyatt Corporation has no day to day involvement with the Elgin Casino.

No such agreement is in place with the Grand Victoria Casino & Resort, LP. The casino is owned and operated by the Hyatt Corporation.

IX. COMMISSION NOTES